

Message Text

CONFIDENTIAL

PAGE 01 PRAGUE 02599 181506Z

47

ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 NSCE-00 /026 W

----- 036693

O 181445Z OCT 74

FM AMEMBASSY PRAGUE

TO SECSTATE WASHDC IMMEDIATE 7140

C O N F I D E N T I A L PRAGUE 2599

EXDIS

EUR FOR ASSISTANT SECRETARY HARTMEN

E.O. 11652: GDS

TAGS: PFOR, EFIN, CZ, US

SUBJECT: CLAIMS AGREEMENT

1. I HAD LONG TALK OCTOBER 18 WITH ZANTOVSKY ABOUT CLAIMS AGREEMENT AND LONG-GRAVEL AMENDMENT. HE WAS VERY APPRECIATIVE FOR COOPERATION SHOWN HIM IN WASHINGTON, AND SAID GOOD THINGS ABOUT THE EFFORT THE DEPARTMENT WAS MAKING TO DEFEAT THE LONG-GRAVEL AMENDMENT.

2. I WAS NOT SURPRISED TO HEAR HIM VOICE DEEP CONCERN ABOUT THE SITUATION. ALTHOUGH HE STILL WAS HOPEFUL THE AMENDMENT COULD BE DROPPED--OR AT LEAST ALTERED INTO SOME FORM THEY COULD LIVE WITH--EITHER IN THE SENATE FINANCE COMMITTEE OR IN SENATE-HOUSE CONFERENCE, HE SAID IT WOULD BE A "DISASTER" FOR US-CZECHOSLOVAK RELATIONS IF AMENDMENT PASSED.

3. ZANTOVSKY SAID THEIR FIRST PREFERENCE WAS OBVIOUSLY TO SEE THE AMENDMENT DROPPED OR DEFEATED. IF THAT WAS NOT POSSIBLE, PERHAPS SOME WORDING CHANGE COULD BE FOUND THAT WOULD SATISFY POLITICAL NEEDS BUT STILL ENABLE US TO GO FORWARD WITH THE CLAIMS AGREEMENT APPROXIMATELY AS NEGOTIATED. (HE WAS NOT SPECIFIC, BUT I GATHERED THAT HE HAD IN MIND SOMETHING LIKE REMOVING PHRASE "PAYS ALL PRINCIPAL AMOUNTS" AND SAYING "MAKES JUST AND PROPER SETTLEMENT" OR SIMILAR LANGUAGE WHICH WOULD ENABLE EXECUTIVE BRANCH TO CERTIFY AGREEMENT WAS A GOOD ONE.)

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PRAGUE 02599 181506Z

FINALLY, HE SAID, IF IT WAS ESSENTIAL IN ORDER TO KILL

THE AMENDMENT, PERHAPS THE "VELOCITY OF PAYMENT" COULD BE SPEEDED UP. (IN THIS RESPECT, I SHOULD NOTE THAT ZANTOVSKY SAID HE HAD NOT YET HAD A CHANCE TO TALK TO PRIME MINISTER STROUGAL ABOUT THE SITUATION, AND FOREIGN MINISTER CHNOUPEK DOES NOT RETURN UNTIL SUNDAY, OCTOBER 20. THIS WAS PROBABLY ZANOTOVSKY'S OWN PERSONAL POSITION.)

4. ON ONE POINT ZANTOVSKY SPOKE WITH SOME FEELING, AND THAT WAS THEIR DISAPPOINTMENT THAT THE SECRETARY HAD NOT BEEN ABLE TO SEE CHNOUPEK EVEN BRIEFLY. HE SAID THEY HAD NOT BEEN GIVEN ANY EXPLANATION. IT SEEMED CLEAR TO ME THAT IT WOULD HELP PUT SOME NOSES BACK INTO JOINT IF IT WERE POSSIBLE FOR THE SECRETARY TO SEND A PERSONAL MESSAGE TO CHNOUPEK EXPRESSING REGRET THAT HE WAS NOT ABLE TO SEE HIM DURING HIS NEW YORK VISITS. IF SUCH A MESSAGE IS POSSIBLE, I WOULD RECOMMEND IT AS A USEFUL STEP AT THIS TIME.

5. I WILL RETURN TO GENEVA OCTOBER 21.
SHERER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DEBTS, GOVERNMENT DEBTS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 OCT 1974
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974PRAGUE02599
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740297-0325
From: PRAGUE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741035/aaaabdvb.tel
Line Count: 80
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION SS
Original Classification: CONFIDENTIAL
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: EXDIS
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 17 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17 APR 2002 by ifshinsr>; APPROVED <23-Sep-2002 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CLAIMS AGREEMENT
TAGS: PFOR, EFIN, CZ, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005